Introduced by Assembly Member Buchanan

February 3, 2014

An act to amend 17070.51 of the Education Code, relating to school facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1581, as introduced, Buchanan. School facilities.

Existing law, the Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school districts, prescribed per-unhoused-pupil state funding for construction and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition. The board is required to impose specified penalties if a material inaccuracy is found in an eligibility or funding application.

This bill would make nonsubstantive changes in the provision regarding penalties for material inaccuracies.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17070.51 of the Education Code is 2 amended to read:
- 3 17070.51. (a) If—any a certified eligibility or funding application related information is found to have been falsely
- 5 certified by school districts, architects or design professionals a
- school district, architect, or design professional, hereinafter

AB 1581 — 2 —

referred to as a material inaccuracy, the Office of Public School Construction shall notify the board.

- (b) The board shall impose the following penalties if an apportionment and fund release has been made based upon information in the project application or related materials that constitutes a material inaccuracy.
- (1) Pursuant to a repayment schedule approved by the board of no more than five years, the school district shall repay to the board, for deposit into the 1998 State School Facilities Fund, the 2002 State School Facilities Fund, or the 2004 State School Facilities Fund, as the case may be, an amount proportionate to the additional funding received as a result of the material inaccuracy including interest at the rate paid on moneys in the Pooled Money Investment Account or at the highest rate of interest for the most recent issue of state general obligation bonds as established pursuant to the Chapter 4 (commencing with Section 16720); of Part 3 of Division 4 of Title 2 of the Government Code, whichever is greater.
- (2) The board shall prohibit the school district from self-certifying certain project information for—any subsequent applications for project funding for a period of up to five years following the date of the finding of a material inaccuracy or until the *school* district's repayment of the entire amount owed under paragraph (1). Although a school district that is subject to this paragraph may not self-certify, the school district shall not be prohibited from applying for state funding under this chapter. The board shall establish an alternative method for state or independent certification of compliance that shall be applicable in these cases. The process shall include, but shall not be limited to, procedures for payment by the school district of—any increased costs associated with the alternative certification process.
- (c) For a school—districts district found to have provided a material—inaccuracies inaccuracy when a funding apportionment has occurred, but no fund release has been made, the board shall direct its staff to reduce the apportionment as necessary to reflect the actual nature of the project and to disregard the inaccurate information or material, and paragraph (2) of subdivision (b) shall apply.
- (d) For-those a school-districts district found to have provided a material-inaccuracies inaccuracy when no funding apportionment or fund release has been made, the inaccurate information or

3 **AB 1581**

- materials shall not be considered, and paragraph (2) of subdivision
- (b) shall apply. The project may continue if the application, minus the inaccurate materials, is still complete. 2 3